

**STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

Before the Commissioner of the Office of Financial and Insurance Regulation

In the Matter of:

**First International Exchange Group, Inc.
an Affiliate of Atlantic Bank Inc.
6632 Telegraph Road, Suite 231
Bloomfield Hills, MI 48301**

Agency No. 11-062-BT

Respondent.

_____ /

Issued and entered
this 30th day of November, 2011
by Stephen R. Hilker,
Chief Deputy Commissioner

TEMPORARY ORDER TO CEASE AND DESIST

The Office of Financial and Insurance Regulation (OFIR), pursuant to the Administrative Procedures Act of 1969, 1969 PA 306, as amended, MCL 24.201 *et seq.*, and the Michigan Banking Code (Code), 1999 PA 276, as amended, MCL 487.11101 *et seq.*, issued a Notice of Charges and Notice of Hearing on October 20, 2011, and now states:

FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. OFIR is responsible for the regulation of banks doing business in the State of Michigan and enforcement of the provisions of the Code.
2. OFIR has received information regarding the ongoing Michigan business operations of First International Exchange Group, Inc. an affiliate of Atlantic Bank Inc. (FIEG/Atlantic).
3. FIEG/Atlantic is currently operating a business in the State of Michigan.
4. FIEG/Atlantic is operating on the Internet at www.atlanticbankinc.com.

5. FIEG/Atlantic's website states that its Michigan branch office location is 32270 Telegraph Road, Suite 285, Bingham Farms, MI 48025.
6. FIEG/Atlantic's website states that it is a bank.
7. FIEG/Atlantic is not a bank organized pursuant to Sections 3101-3108 of the Code, MCL 487.13101-13108.
8. FIEG/Atlantic is not a domestic bank authorized to commence business in the State of Michigan pursuant to Sections 3101-3108 of the Code, MCL 487.13101-13108.
9. FIEG/Atlantic is not a foreign bank authorized to commence business in the State of Michigan pursuant to Section 5101 of the Code, MCL 487.15101.
10. FIEG/Atlantic is using the word "bank" in its business name in violation of Section 1106 of the Code, MCL 487.11106.
11. FIEG/Atlantic's Chairman, Dhafir Dalaly, admitted in a sworn deposition in 2007 that Atlantic Bank was no longer in existence. Further information indicates that Atlantic Bank's license to operate as a bank in the Republic of Nauru expired by operation of law in 2003.
12. FIEG/Atlantic's ongoing business operations constitute continuing and multiple violations of the Code.
13. On October 20, 2011, OFIR issued and served upon FIEG/Atlantic a Notice of Charges and Notice of Hearing, pursuant to Section 2304 of the Code, MCL 487.12304.
14. Through that Notice of Charges, FIEG/Atlantic was informed of the fact that its ongoing business operations violate the Code.

WHEREAS, Section 2305 of the Code, MCL 487.12305, states that "[i]f the commissioner determines that the violation or threatened violation or the unsafe or unsound practice or practices, specified in the notice of charges served upon the institution under section 2304(1), or the continuation of the violation or practice, is likely to cause insolvency or substantial dissipation of assets or earnings of the institution, or is likely to otherwise seriously prejudice the interests of its depositors, the commissioner may issue a temporary order requiring the institution to cease and desist from any

violation or practice. The order shall become effective upon service upon the institution and, unless set aside, limited, or suspended by a court in proceedings authorized by subsection (2), shall remain effective and enforceable pending the completion of the proceedings under section 2304.

WHEREAS, FIEG/Atlantic's ongoing business operations as an alleged "bank" violate Sections 3101-3108 of the Code, MCL 487.13101-13108.

WHEREAS, FIEG/Atlantic is using the words "bank" in its business name in violation of Section 1106 of the Code, MCL 487.11106.

WHEREAS, FIEG/Atlantic's ongoing business operation as an alleged "bank" constitutes a continuing violation of the Code.

WHEREAS, FIEG/Atlantic's unlawful business operation is "likely to otherwise seriously prejudice the interests of its depositors."

WHEREAS, OFIR Staff recommends that the Commissioner find that FIEG/Atlantic has engaged in acts and practices that violate the Code, MCL 487.11101 *et seq.*

WHEREAS, OFIR Staff recommends that the Commissioner issue a Cease and Desist Order pursuant to Section 2305, MCL 487.12305.

ORDER

IT IS THEREFORE ORDERED, pursuant to Section 2305 of the Code, MCL 487.12305, that:

FIEG/Atlantic shall immediately **CEASE AND DESIST** from operating its website, www.atlanticbankinc.com, and from conducting any and all business operations as First International Exchange Group, Inc. an affiliate of Atlantic

Bank Inc. in violation of Sections 1105 and 1106 of the Code, MCL 487.11105 and MCL 487.11106.


Within 10 days after an institution has been served a temporary cease and desist order under MCL 487.12305, an institution may apply to the circuit court for the county in which the principle office of the institution is located for an injunction setting aside, limiting, or suspending the enforcement, operation or effectiveness of the order pending the completion of the proceedings under MCL 487.12304.

It is important to understand that any statements that you present in response to this Order may be used against you at a hearing. It is also important to understand that you have the right, at your own expense, to have an attorney assist you at a hearing.

The Commissioner retains the right to pursue further administrative action against FIEG/Atlantic should the Commissioner determine that such action is necessary and appropriate in the public interest, for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Code.

Any contact with OFIR must be directed to Karen Lawson, Deputy Commissioner, Office of Financial and Insurance Regulation, P.O. Box 30220, Lansing, MI 48909, Telephone: (517) 373-9552; Fax: (517) 335-0908.

OFFICE OF FINANCIAL AND
INSURANCE REGULATION



Stephen R. Hilker
Chief Deputy Commissioner of Banking